

Statement of Work
For
General Materials or Services

Title: External Audit Services: Subcontractor Pre-Award Proposal Audits and Accounting System Reviews

Date: 11/3/2020

Revision Number: 0

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Signature Page Only

<i>APPROVALS</i>	<i>PRINT NAME</i>	<i>SIGNATURE</i>
<i>BTR*</i>	<i>Jillian Esparza</i>	

* Approval for Technical Content

Based on the Hazardous Review and Identification Checklist to identify Subject Matter Experts (SMEs), the following approvals are applicable to this Statement of Work. (Note: hard copy signatures are made PDF and files in the notes panel of the Asset Suite requisition).

<i>Signature Required</i>	<i>No Signature Required</i>	<i>ORGANIZATION</i>	<i>PRINT NAME</i>	<i>SIGNATURE</i>
		<i>End-User / Requestor</i>		
		<i>End User / Requesting Manager (Project of Functional Director)</i>		
		<i>Environmental*</i>		
		<i>Radiation Protection</i>		
		<i>Industrial Safety and Health</i>		
		<i>Fire Protection</i>		
		<i>Chemical Management</i>		
		<i>Emergency Preparedness</i>		
		<i>Quality Assurance Engineer</i>	<i>Must be approved In Asset Suite</i>	<i>Must be approved In Asset Suite</i>
		<i>Engineering/Design Authority</i>	<i>Must be approved In Asset Suite</i>	<i>Must be approved in Ass Suite</i>

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1.0 INTRODUCTION / BACKGROUND

The Department of Energy, Richland Operations Office, (DOE-RL) manages the Hanford Site working toward protecting the workers, public, and environment by further reducing risk, by providing the necessary infrastructure for continued safe and effective cleanup operations and access and use. This is accomplished by work performed by contractors and subcontractors, to ensure the safety of Hanford cleanup.

The Hanford Site sits on 586 square miles of desert in southeastern Washington State, adjacent to the Columbia River near Richland, Washington. Approximately 11,000 employees support the Hanford Cleanup mission through contractors and subcontractors and are located in multiple facilities throughout the Hanford Site. Mission Support Alliance, LLC (HMIS) is a prime contractor to the Department of Energy, Richland Operations Office (DOE-RL) performing Hanford's Mission Support Contract. Under the Mission Support contract, HMIS provides direct support to the DOE-RL and its contractors with cost effective infrastructure and site services integral and necessary to accomplish the Hanford Site environmental cleanup mission.

HMIS's scope includes five primary functions: safety, security and environment, site infrastructure and utilities, site business management, information resource and content management, and portfolio management. Under the site business management function, the HMIS Supply Chain Organization is responsible for procurement of materials and services to support HMIS's scope.

The Internal Audit Organization is chartered with providing independent, objective assurance and consulting activity designed to add value and improve an organization's operations on behalf of the DOE-RL in support of HMIS's contractual mission.

HMIS is in the process of transitioning the work currently performed by Mission Support Alliance, LLC (HMIS or incumbent contractor) under the Mission Support Contract (MSC) to HMIS for the performance of the Hanford Mission Essential Services Contract (HMESC). HMIS anticipates it will transfer all current HMIS policies, procedures, forms, systems, tools, etc. to HMIS, in their entirety. As a result, any reference to HMIS policies, procedures, forms, systems, tools, etc. will be that of HMIS and applicable to the Subcontractor, when stated.

2.0 OBJECTIVE

Hanford Mission Integration Solutions (HMIS) subcontracts for a variety of services and support functions associated with its Prime Subcontracts with the Department of Energy (DOE), Richland Operations Office. The purpose of the subcontract is to establish a mechanism to obtain External Auditing Services to perform Accounting System Reviews and Proposal Audits. This scope of work will vary depending on the Subcontractors and will be issued as individual releases under this Master Subcontract Agreement.

3.0 DESCRIPTION OF WORK – SPECIFIC

Subcontractor employees shall be responsible for independently planning, organizing and performing a wide variety of non-hazardous specialized administrative/technical duties in support of the successful completion of goals and deliverables and in accordance with all provisions of the subcontract.

The work scope for this activity includes the resources, material and/or equipment necessary to accomplish the following HMIS activities:

Task 1- Proposal Audit

Complete subcontractor pre-award proposal audit in accordance with the Generally Accepted Government Auditing Standards (GAGAS) including providing a completed set of working papers for the audits in PDF format, and issuing reports in accordance with GAGAS standards under the direction and approval of HMIS Internal Audit.

Ensure subcontractors can meet HMIS prime contract requirements:

- Subcontractor timecards for hourly employees for non-fixed-price and cost reimbursable subcontracts and non-fixed-price and cost reimbursable sub tiers.
- The timecards must reflect actual hours worked.
- The subcontractor timecards must be signed by the subcontractor employee and certified by the subcontractor employee's supervisor prior to the Contractor obtaining them.
- Subcontractors and sub tiers performing work under cost-reimbursable and non-fixed-price subcontracts shall maintain adequate timekeeping procedures, controls, and processes for billing Government work.

Task 2- Accounting System Review

Complete subcontractor accounting system reviews in accordance with the Generally Accepted Government Auditing Standards (GAGAS) including providing a completed set of working papers for the audits in PDF format, and issuing reports in accordance with GAGAS standards under the direction and approval of HMIS Internal Audit.

Ensure subcontractors can meet HMIS prime contract requirements:

- Subcontractor timecards for hourly employees for non-fixed-price and cost reimbursable subcontracts and non-fixed-price and cost reimbursable sub tiers.
- The timecards must reflect actual hours worked.
- The subcontractor timecards must be signed by the subcontractor employee and certified by the subcontractor employee's supervisor prior to the Contractor obtaining them.
- Subcontractors and sub tiers performing work under cost-reimbursable and non-fixed-price subcontracts shall maintain adequate timekeeping procedures, controls, and processes for billing Government work.

The subcontractor's methodology should be discussed in detail along with the communication strategy between the subcontractor and internal audit. The methodology will be evaluated based on meeting the objectives of the DCAA Contract Audit Manual's. An audit plan is to be submitted to the Internal Audit Director and approved prior to performing fieldwork.

The overall definition and scope of the work to be performed is HMIS's responsibility. Subcontractor will report to and take direction directly from the BTR. HMIS is responsible for the implementation of actions identified in the course of the engagement and the results achieved from using any services or deliverables. Subcontractor has not been engaged to and will not perform management functions, make management decisions, act, or appear to act in a capacity equivalent to that of an employee.

If any issues or concerns in this area arise during the course of this engagement, Subcontractor will discuss them with HMIS prior to continuing with the engagement.

Any changes to the audit team as proposed in the Master Subcontractor Agreement must be approved by the Audit Manager or BTR. In the event of a conflict between this SOW and the Master Subcontract Agreement (including the Statement of Work for External Audit Services – Subcontractor Incurred Cost Examinations included within the Subcontract), the terms of this SOW shall control, but only to the extent of such conflict.

It is the expectation of HMIS that all plans, fieldwork and final audit reports are submitted to HMIS with zero (0) errors, including grammatical. All noted errors found by HMIS Audit Director or delegate will be rejected and rework will be completed at the cost of the Subcontractor. Subcontractor is required to have fieldwork and final reports submitted to HMIS Audit Director no later than:

Task 1 Proposal Audit: Turnaround time (4-6 weeks from entrance meeting)

Task 2 Accounting System Review: Turnaround time (2-3 weeks from entrance meeting)

Task 3 Proposal Audit and Accounting System Review: Turnaround time (4-6 weeks from entrance meeting)

4.0 REQUIREMENTS

4.1 General

Will work be performed on site: No

4.2. Hanford System Access Requirements

4.3 Engineering Requirements

Engineering requirements applicable: No

4.4 Environment, Safety, & Health (ES&H) Requirements

The Subcontractor shall exercise a degree of care commensurate with the work and the associated hazards. The Subcontractor shall ensure that management of safety and environmental functions and activities is an integral and visible part of the Subcontractor's work planning and execution processes. The Subcontractor shall flow down safety and environmental requirements to the lowest tier Subcontractor performing work on the Hanford site commensurate with the risk and complexity of the work.

Prior to start of work the Subcontractor shall work with the HMIS BTR to do a Job Hazard Analysis (JHA).

All subcontractor and sub-tier employees shall have completed OSHA Hazard Communication training that meets the requirements of [MSC-PRO-WP-13299](#), *Hazard Communication*. See [MSC-PRO-WP-10468](#), *Chemical Management Process*, for more information.

Subcontractors and its lower-tier subcontractors shall be responsible to complete an Employee Job Task Analysis (EJTA) in accordance with [MSC-PRO-WP-11058](#) for any of the following situations:

- For any subcontractor employee who will be on the Hanford Site for more than 30 days in a year.
- For any subcontractor employee who may potentially be exposed to hazards (e.g. radiological, beryllium, hazardous wastes, noise) while performing in accordance with the subcontract statement of work.
- For any subcontractor employee enrolled in a medical or exposure monitoring program required by 10 CFR 851, and/or any other applicable federal, state or local regulation or other obligation.

If any of the above conditions are met, the subcontractor and its lower-tier subcontractor employee is to have a current approved EJTA prior to that employee beginning work on the Hanford Site.

Buyer's Safety and Health Procedures are available on the internet at <http://www.hanford.gov/pmm/page.cfm/Construction>. The documents on this site are kept current and are available for Subcontractors and lower-tier Subcontractor use.

Unique or specific requirements: **No**

4.5 Quality Assurance (QA) Requirements

Are quality assurance requirement applicable to this scope of work: **No**

The work activities for this Statement of work has been designated as a Quality Level G - Q Level 0 - GS

The Subcontractor shall be responsible for performing quality workmanship and shall conduct the quality control measures necessary to ensure work conforms to reference requirements defined in the SOW.

The work activities for this statement of work shall be performed in accordance with the following HMIS Quality Assurance Program and Procedures, if provided below:

4.6 Government Property

Government property is not required to be used by the Subcontractor for this effort.

5.0 PERSONNEL REQUIREMENTS

5.1 Training and Qualifications

5.1.1. Training

5.1.2. Qualifications

The following types of qualifications are required:

Subcontractor shall:

Minimum 10 years government auditing to the FAR, using GAGAS standards

The Subcontractor is expected to provide appropriately trained and experienced staff to perform the work specified. Task specific or unique training or qualifications required for this task includes knowledge of GAGAS Standards, DCAA Contract Audit Manual, Generally Accepted Accounting Principles, Federal Acquisitions Regulations (FAR) and Cost Accounting Standards (CAS).

Subcontractor personnel shall have:

Bachelor's Degree with 10+ years of experience in accounting, auditing, compliance; hold at least one certification (preferably CPA designation) and at least 2 years of experience auditing to GAGAS standards.

5.2 Security and Badging Requirements

For any on site work, see Special Provisions – On Site Services for details.

Subcontractor employees will be required to submit to vehicle searches and not personally carry or transport certain prohibited articles.

Will the scope of work **will not** require access authorization (security clearance).

5.3 Work Location / Potential Access Requirements

Subcontractor's work location

5.4 Site Access and Work Hours

Hanford personnel at the Hanford Site work a standard 4/10 schedule. The standard work week consist of ten (10) hours of work between 6:00 am and 4:30 pm, with one-half hour designated as an unpaid period for lunch, Monday through Thursday.

Work performed outside normal operating hours shall be coordinated and/or approved through the BTR and/or the Contract Specialist prior to performing the work.

6.0 MEETINGS

Subcontractor shall participate in all meetings as required by the Buyer's Technical Representative (BTR).

7.0 DELIVERABLES AND PERFORMANCE SCHEDULE REQUIREMENTS

7.1 Deliverables

Deliverables are required to be furnished by the Subcontractor.

If deliverables are required, the specific deliverables, dates for completion, reviews, etc., are as follows:

Task 1 Proposal Audit: Turnaround time (4-6 weeks from entrance meeting)

Task 2 Accounting System Review: Turnaround time (2-3 weeks from entrance meeting)

Task 3 Proposal Audit and Accounting System Review: Turnaround time (4-6 weeks from entrance meeting)

HMIS Internal Audit will review draft work papers prior to execution of final report(s). HMIS Internal audit will review work papers within 24-48 hours and provide feedback, if any for revision(s) to the final working papers and report(s).

Final set of working papers are delivered after review of HMIS Internal Audit with no errors along with Final Report(s) no later than the scheduled defined above based on task.

7.2 Schedule

8.0 SPECIAL REQUIREMENTS

Reporting Administration

HMIS Internal Audit will review draft work papers prior to execution of final report(s). HMIS Internal audit will review work papers within 24-48 hours and provide feedback, if any for revision(s) to the final working papers and report(s).

Final set of working papers are delivered after review of HMIS Internal Audit with no errors along with Final Report(s) no later than the scheduled defined above based on task.

Meetings

General purpose of meetings is for the coordination, control, and direction of the Work. In addition to meetings addressed by this Section, Subcontractor may be required by other Sections and other Subcontract documents to conduct special-purpose meetings and various safety meetings and briefings.

HMIS will issue meeting notices and prepare an agenda and minutes for each meeting addressed in this Section. When applicable, minutes will identify action items, assigned actionees, and due dates.

- KICKOFF MEETING - Before start of the Work, HMIS will conduct a conference at a time and Hanford Site location agreed to by Subcontractor and HMIS. Invited attendees will include HMIS, Subcontractor, key lower tier subcontractors and others having an interest in the Work. Purpose of the conference is the coordination of Work start up and familiarization of project participants with the Work and worksite.
- PROGRESS MEETINGS - HMIS will conduct a progress meeting at time and Hanford Site location determined by HMIS. Invited attendees will include HMIS, Subcontractor and key subcontractors. At the progress meeting, Subcontractor shall submit a written report showing actual man-hours expended versus planned and scheduled progress versus actual progress giving details of Work completed in relation to the approved schedule, together with a two (2) week "look ahead" which provides details of how the Work will be completed.
- The purpose of the meetings is the exchange of Work-related information.

Schedule

Task 1 Proposal Audit: Turnaround time (4-6 weeks from entrance meeting)

Task 2 Accounting System Review: Turnaround time (2-3 weeks from entrance meeting)

Task 3 Proposal Audit and Accounting System Review: Turnaround time (4-6 weeks from entrance meeting)

Reports

HMIS Internal Audit will review draft work papers prior to execution of final report(s). HMIS Internal audit will review work papers within 24-48 hours and provide feedback, if any for revision(s) to the final working papers and report(s).

Final set of working papers are delivered after review of HMIS Internal Audit with no errors along with Final Report(s) no later than the scheduled defined above based on task.